



California Fair Political Practices Commission

January 22, 1986

Jim Corn
Turner & Sullivan
1000 G Street, Ste. 300
Sacramento, CA 95814

Re: Our File No. A-85-267

Dear Jim:

This is in response to your request for advice dated December 17, 1985, with respect to the lobbying disclosure provisions of the Political Reform Act (Government Code Sections 81000-91015).

One of your clients, a trade association, regularly files reports as a lobbyist employer under Chapter 6 of the Act, and one of the agencies it attempts to influence is the Department of Consumer Affairs. In addition, some officers or directors of the association sit as members of technical advisory committees to one of the Department's boards. You have asked whether reimbursements paid by the association to these officers or directors for expenses incurred in connection with their duties on behalf of the association must be reported by the association as "activity expenses" on its quarterly lobbyist employer reports.

Government Code Section 86111 (as amended by Chapter 1183, Stats. 1985) states:

(a) "Activity expense" as used in this chapter means any expense incurred or payment made by a lobbyist, lobbying firm, lobbyist employer or a person described in subdivision (b) of Section 86115, or arranged by a lobbyist or lobbying firm, which benefits in whole or in part any elective state official, legislative official, agency official, state candidate, or a member of the immediate family of one of these individuals. Activity expenses include gifts, honoraria, consulting fees, salaries, and any other form of compensation but do not include campaign contributions.

(b) "Agency official" as used in this chapter means any official of a state agency whose administrative actions the lobbyist, lobbying firm, lobbyist employer, or person described in subdivision (b) of Section 86115 has attempted or is attempting to influence.

Jim Corn
January 22, 1986
Page Two

Although I informally advised you by telephone that the reimbursements would probably not be considered "activity expenses," upon further consideration of the facts outlined in your letter, we conclude that such payments do meet the definition of "activity expense" contained in Section 86111 and must, therefore, be reported as such on the association's quarterly lobbying reports.

If you have any questions regarding this matter, please contact me at (916) 322-5662.

Sincerely,

A handwritten signature in cursive script that reads "Carla Wardlow".

Carla Wardlow
Political Reform Consultant

LAW OFFICES OF
Turner & Sullivan
A PROFESSIONAL CORPORATION

DEC 23 8 59 AM '85

December 17, 1985

Ms. Carla Wardlow
FAIR POLITICAL PRACTICES COMMISSION
P.O. Box 807
Sacramento, CA 95804

Re: Request for Advice

Dear Ms. Wardlow:

The undersigned requests the opinion of the Fair Political Practices Commission on the following factual situation.

One of my clients regularly follows the activities of a Board within the Department of Consumer Affairs which regulates many of the client's members. In the last several years, the Board has been studying a variety of topics of interest to the client, and has formed advisory committees called "technical advisory committees". The members of the technical advisory committees include members of my client association, some of whom are officers and/or directors of the client association. As members of the technical advisory committee, these individuals receive a standard state "per diem" which is a \$50 per day fee prorated on an eight-hour day, and standard state expense reimbursement. The committee members file the expense reimbursement and per diem claims with the Board, and the claims are then processed through the Department of Consumer Affairs.

The activities of the technical advisory committee include application review, discipline review, recommendations on Board rules, and regulations and policies. The work of the technical advisory committee is limited to advice on assistance, and the technical advisory committee makes no final decisions. The members of the technical advisory committee are appointed by the Board, and serve at the pleasure of the Board. Chapter 670, Stats. 1985, specifically defines the technical advisory committee's role and its expense reimbursement and immunity status.

Certain members of the technical advisory committees are also, as indicated above, officers and/or directors of the client. The client, therefore, pays certain expense reimbursement costs associated with these members' activities on behalf of the client. This is a totally

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Ms. Carla Wardlow
FAIR POLITICAL PRACTICES COMMISSION
December 17, 1985
Page 2

separate cost or expense reimbursement than that by the Board as a result of its technical advisory committee activities, and is unrelated to the work of the individuals as members of the technical advisory committee. For example, as an officer of the client association, an individual may obtain expense reimbursement for airline travel, over-night accommodations, and reimbursement for food.

The client regularly files Form 650, Report of Lobbyist Employer, and indicates in part I of the Form that the Board, which has created the technical advisory committees, is one of the state agencies which the client regularly attempts to influence.

Part II(C) of the Form 650 requires the reporting of "activity expenses" which are defined as follows:

"Payments which benefit, directly or indirectly, an elected state officer, legislative official, agency official, state candidate, or a member of the immediate family of such official or candidate."

The question we discussed inFormally was whether or not the payments to reimburse travel for various officers and/or directors of the client association must be reported as "activity expenses" even though the expense reimbursement is totally unrelated to the activities of the various technical advisory committees. For example, if a particular member of a technical advisory committee is also an officer and director of the client association, and travel expenses are reimbursed for other association business, would that have to be reported as an "activity expense"?

Government Code Section 82004 defines "agency officials" in a manner that seems to include members of the technical advisory committee. Further, Government Code Section 82044 seems to define the word, "payment" in such a broad fashion that it would include expense reimbursement even though that expense was not related to the work of the technical advisory committee.

You have advised me inFormally you do not believe that the association expense reimbursement has to be reported as an "activity expense" on Form 650.

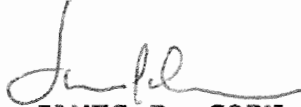
Ms. Carla Wardlow
FAIR POLITICAL PRACTICES COMMISSION
December 17, 1985
Page 3

I would appreciate either written confirmation of this advice, or a written opinion of the Fair Political Practices Commission, which my client and I may rely upon.

Thank you very much for your assistance and cooperation in this matter. If you require additional information, please do not hesitate to contact me.

Very truly yours,

TURNER & SULLIVAN
A Professional Corporation



JAMES P. CORN

JPC:tlp
cc: Mr. Paul Meyer
Mr. Leo Schell
Mr. Robert W. Bein